44		RJ-ONN-2005/3	16	A	1217
45	Cambay	CB-ONN-2005/1	17	S	61
46		CB-ONN-2005/2	18-A&B		81
47		CB-ONN-2005/3	19	S	48
48		CB-ONN-2005/4	20	S	31
49		CB-ONN-2005/5	21	S	83
50		CB-ONN-2005/6	22	S	102
51		CB-ONN-2005/7	23	S	199
52		CB-ONN-2005/8	24	S	133
53		CB-ONN-2005/9	25	S	170
54		CB-ONN-2005/10	26	A	270
55		CB-ONN-2005/11	27	A	257
56	Palar	PR-ONN-2005/1	28	B	1807
57	Cauvery	CY-ONN-2005/1	29	A	946

* Frontier Block.

Sl. No. 45-53 are Type-S Blocks.

Alternate source of fuel

590. **DR. V. MAITREYAN:** Will the Minister of **PETROLEUM AND NATURAL GAS** be pleased to state:

whether it is a fact that petroleum products are a huge source of drainage of foreign exchange as well as severe polluting agent in the country;

if so, what steps are being taken to identify alternate source of non-polluting fuel for the vehicles in the country;

whether Government has intensified the R&D work in this area; and

if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURALGAS (SHRI DINSHA J. PATEL): (a) In 2006-07, net expenditure of foreign exchange equivalent to US$ 39.6 billion was made in trade of petroleum products. During this period, US$ 48.4 billion were spent on the import of crude oil.

(b) to (d) As efforts to suplement the consumption of petroleum products particularly for vehicular application and also to curb emissions, research has been carried out by the Ministry of New and Renewable Energy (MNRE) to explore the possibility of utilizing alternatives for supplementing petrol and diesel. Bio-fuels namely, bio-ethanol and bio-diesel, hydrogen energy and battery operated vehicles have been identified as potential future alternatives to supplement petrol and diesel.

In the area of Bio-fuels, Ethanol-Gasoline fuels having 5% ethanol content is being used in 20 States and 4 Union Territories. Government has plans to introduce 10% ethanol in States where 5% ethanol is already being used. But vehicle manufacturers are asking for more time so as to study the effects of ethanol on material compatibility of in use vehicles.

IOC R&D and SIAM have been advised to study the effect of 10% ethanol in gasoline on various type of in use vehicles.

Besides spearheading commercialization of ethanol-blended gasoline in the country, Indian Oil has been in the fore front of technology development for bio-diesel production from various edible/non-edible oils and its application in vehicles.

Studies by Indian Oil's R&D Centre have established that bio-diesel produced from Jatropha seeds was at par with bio-diesel produced from vegetable oils. In the past few years, the Indian Oil R&D Centre has studied the entire value chain of bio-diesel, starting from Jatropha plantation to field trials on passenger cars, light commercial vehicles and railway locos in collaboration with several vehicle manafucturers, Railways and State transpert undertakings.

Homogenous Catalysed Single pot process has also been developed for production of bio-diesel.

India's first experimental hydrogen-CNG dispensing station was commissioned in the campus of IOC R&D at Faridabad and demonstration projects are underway on use of Hydrogen-CNG blends in heavy and light vehicles. These projects are funded by Ministry of Petroleum and Natural Gas and National Hydrogen Energy Board (NHEB) under Ministry of New and Renewable Energy (MNRE) of the Government of India.

NHEB under MNRE has estimated about one million vehicles using pure hydrogen or hydrogen CNG blended fuel by 2020.

Consequencies of price hike in petroleum product

591**. SHRI ABU ASIM AZMI**: Will the Minister **of PETROLEUM AND NATURAL GAS** be pleased to state:

whether Government has taken a decision to hike the prices of petrol, kerosene, diesel and cooking gas recently;

if so, the details of the price hike;

how far such a hike shall have an adverse effect on the common man; and

(d) the action expected to be taken by Government to treat this hike in price as a "Final * Hike" for this decade?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (d) The global prices of crude oil and petroleum products have remained high and volatile since 2004. In view of this, the Public Sector Oil Marketing Companies (OMCs) are incurring under-recoveries on domestic sale of sensitive petroleum products namely petrol, diesel, PDS kerosene and domestic LPG As passing on the entire impact of the steep increase in the oil prices to the consumers would have resulted in hardship to the common man, the retail selling prices of petrol, diesel, PDS Kerosene and domestic LPG have not been increased in tandem with the international oil prices.

To meet the escalation in international oil prices, the Government has adopted the principle of'equitable burden-sharing' between the Government, the oil PSUs and consumers to protect the interests of the common man, vulnerable sections of society and also the financial health of OMCs. In this context, the Government has made a marginal increase in petrol and diesel